



JAN 21 2003

The Honorable Sonny Perdue
State Capitol Building
Constituent Services Room 111
Atlanta, Georgia 30334

Dear Governor Perdue:

It is with pleasure that I respond to the State of Georgia's request for a waiver of statutory and regulatory requirements under the Workforce Investment Act of 1998 (WIA or the Act) in accordance with the Secretary's authority to waive certain requirements of WIA title I, subtitles B and E, and sections 8-10 of the Wagner-Peyser Act. This authority is granted to the Secretary by section 189(i)(4)(A) of the Act, and in the implementing regulations at 20 CFR 661.420.

Granted waivers provide states the flexibility in program design for seamless service delivery and improved customer service, in exchange for accountability and agreed-to programmatic outcomes. We are pleased to be able to respond positively to your request. The following is the disposition of the state's waiver submission.

Requested Waiver Provision: Waive 20 CFR 664.510 to permit the use of Individual Training Accounts for older out-of-school youth participants.

The state's waiver submission (copy enclosed) requests a waiver of the prohibition on the use of Individual Training Accounts (ITAs) for youth found at 20 CFR 664.510. Under the waiver, the state proposes to allow older out-of-school youth, where appropriate, to select ITA programs from the eligible training provider list (ETPL) while retaining their "youth" classification using WIA youth formula funds. The intent of the waiver request is to eliminate the need to track expenditures separately across funding streams, reduce unnecessary paperwork, and increase training opportunities for out-of-school youth.

The waiver is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c). Upon review, the state's request appears to meet the standard for waiver of requirements relating to key reform principles, as specified at 20 CFR 661.410(c). Accordingly, the State of Georgia is granted a waiver on the prohibition of individual training accounts (ITAs) for older youth participants cited at 20 CFR 664.510. This approval allows older out-of-school youth to select training providers from the ETPL with the use of ITAs from the WIA allocated youth formula funds.

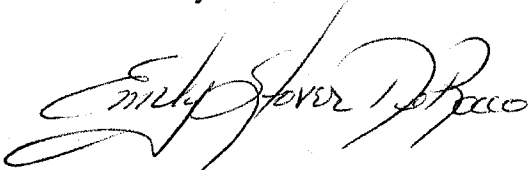


A Proud Member of America's Workforce Network

The granted waiver is incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitutes a modification of Georgia's approved five-year strategic plan. A letter is being sent to your state WIA Liaison, which supplements this notification letter and spells out the terms and conditions that apply to the granted waiver. A copy of each letter should be filed with the state's WIA Grant Agreement and approved five-year plan, as appropriate.

We look forward to continuing our partnership with you and to the achievement of better workforce investment outcomes and the improvement of the lives of the youth of Georgia. We are prepared to entertain other state and local-level waiver requests that the state may wish to submit, consistent with the provisions of the Act and regulations.

Sincerely,

A handwritten signature in cursive script, reading "Emily Stover DeRocco". The signature is fluid and stylized, with the first name "Emily" being particularly prominent.

Emily Stover DeRocco

Enclosure



GEORGIA DEPARTMENT OF LABOR

148 ANDREW YOUNG INTERNATIONAL BLVD., N. E.
ATLANTA, GEORGIA 30303-1751

MICHAEL L. THURMOND
COMMISSIONER

October 11, 2002

Ms. Anna W. Goddard, Regional Administrator
U.S. Department of Labor
Employment & Training Administration
61 Forsyth Street, Room 6M12
Atlanta, Georgia 30303

Re: Georgia Workforce Investment Act - Waiver Request
Prohibition of use of Individual Training Accounts for Older Youth

Dear Ms. Goddard:

Presently, Georgia's WIA registered older youth may only utilize an approved ITA program (using WIA funds) if they are co-registered in an adult program, or treated as adults entirely. Such co-registration produces unnecessary paperwork and decreased out-of-school youth expenditures, with no resulting additional value to either the program or the customer.

USDOL-ETA TEGL number 12-01 (dated February 21, 2002) described the opportunity for State's to request a waiver of the regulatory prohibition of using ITA's for older youth under 20 CFR 664.410. The State of Georgia is now requesting such a waiver under the provisions established in Section 189(i)(4)(B) of the WIA (see the attached detailed discussion). This waiver will allow older out-of-school youth, if deemed appropriate, to select approved ITA programs from the Eligible Provider/Program List (EPL), while retaining their "youth" classification. Training costs could then be charged as out-of-school youth expenditures, eliminating the need to track expenditures separately across funding streams. In requesting this waiver, the State of Georgia makes the following assurances:

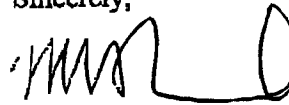
- All ten required WIA youth program elements (specified at 20 CFR 664.410) will be available within the local areas that serve out of school youth with ITA's;
- Local areas will establish guidelines for the use of older youth ITA's - including the criteria to be used for determining when the use of ITA's is appropriate and assistance to be provided to youth to assist them in choosing an appropriate service provider/ program; and
- The incorporation of the above into local service delivery plans for youth.

The State of Georgia fully recognizes the importance of the first assurance noted above. Youth often need a fuller array of services over a longer period of time, while ITA's generally address only one of the ten program elements, i.e., occupational skills training. It will remain an essential focus that youth be availed the menu of ten required program elements to facilitate their successful transition to post-secondary training and careers. This will include a minimum of 12 months of follow-up services.

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Please contact Sylvia Elam at 404-656-7392 or sylvia.elam@dol.state.ga.us with any questions you may have. Thank you for your consideration of this request and your continued support of Georgia's workforce development system.

Sincerely,

A handwritten signature in black ink, appearing to read 'MLT', followed by a large, stylized loop.

Michael L. Thurmond

Attachment
MLT/ac

cc: Sylvia Elam

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Attachment: Georgia Workforce Investment Act - Waiver Request

The Georgia Department of Labor (GDOL), as the Governor's designated administrator for Georgia's Workforce Investment Act (WIA) activities, is requesting a waiver of the regulatory prohibition of using individual Training Accounts (ITAs) for older youth. In compliance with WIA Section 189(a)(4)(B) and WIA Regulations 661.420(c), please accept the following as a request for a waiver.

A. Statutory Regulation to be Waived:

WIA Regulation 29 CFR 664.510 prohibits the use of Individual Training Accounts (ITAs) for older youth. This waiver requests the use of ITAs for older youth with implementation commencing upon approval of this waiver request.

B. Goals to be Achieved by the Waiver:

- Ensures that local Workforce Investment Boards (WIBs) are afforded the flexibility to design and deliver programs based on the needs of their customers as intended under the WIA, rather than restrictions based solely on age;
- Reduces burdensome paperwork and tracking processes required for dual enrollment (i.e., older youth and adult), as is now necessary for older youth to access occupational skills training through the adult ITA process;
- Provides older youth customers the real-life learning experience of making a informed career decision that has direct impact on his/her life. Exposure of older youth to the ITA/EPL process will afford case managers an opportunity to discuss the process of decision-making (training provider, finances, etc.) and the results that ensue;
- Eases performance management by allowing older youth to be counted only once in the performance measures, rather than twice as when dually enrolled in adult and youth funding streams. This will encourage local areas to better serve challenging populations such as older youth; and
- Training costs will then be charged as out-of-school youth expenditures, eliminating the need to track expenditures separately across funding streams and increasing youth expenditures.

C. State or Local Statutory or Regulatory Barriers:

There are no existing state or local statutory or regulatory barriers to the successful implementation of this waiver request.

D. Description of the Goals of the Waiver and Expected Outcomes:

The WIA has shifted the focus of youth programs from the provision of short-term, stand alone job training to providing year-round, long-term services designed to assist both in-school and out-of-school youth when making the transition to post-secondary training and careers. Although we in Georgia fully embrace this philosophical shift, we do not believe that contracted year-round youth programs are the best and only training vehicle for certain individuals within Georgia's older youth population. The older youth population continues to be one of the most difficult to serve under WIA, because their interest lies in obtaining self sufficient, full-time employment more often than being involved in a typical structured setting that youth contracts provide. Comprehensive service elements required within year-round contracting sometimes only delays

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Attachment: Georgia Workforce Investment Act - Waiver Request

access to training and employment. Many older youth would also benefit from the real-life process of informed decision-making, as required when utilizing ITA's.

The State of Georgia fully recognizes the WIA provisions specified at 20 CFR 664.410, requiring local areas make available a menu of ten program elements to eligible youth. Youth often need a fuller array of services over a longer period of time, while ITA's generally address only one of the ten program elements, i.e., occupational skills training. It will remain an essential focus that youth be availed the menu of ten required program elements to facilitate their successful transition to post-secondary training and careers. This will include a minimum of 12 months of follow-up services. Through the local plan process, WIBs will be required to outline a plan of action to ensure compliance with this regulation for older youths receiving payment of training services through an Individual Training Account.

Georgia is also cognizant that individuals may access ITAs through dual enrollment in youth and adult services, but this waiver would allow the flexibility for youth funds to be expended on youth services and retain adult funds on adult services. The option for dual enrollment into youth and adult services would still be accessible if the need of the individual so indicates or if funding in one stream becomes limited. However, the option to allow older youth to access the ITA process using only youth funds would usually be preferable. Using only youth funds for occupational skills training through the ITAs stops the individual customer from being counted twice in performance. Given the fact that older youth can be very challenging to serve, lessening the performance "risk" associated with the population by only counting them once would be a benefit to the service delivery system.

E. Description of the individuals impacted by the Waiver:

The waiver can positively impact all older WIA eligible youth. These customers will receive the type of services that most closely and quickly meet their individualized needs without unnecessary paperwork and tracking.

F. Description of the Process to Monitor Progress:

Local WIBs will be encouraged to self-monitor this process, and the State will review the same during its annual on-site assessment.

G. Opportunity for Local Boards to Comment on the Waiver Request:

This waiver request was initiated based on needs identified by Georgia's twenty local WIBs, as recently polled, without a single dissenting local opinion.

H. Additional Requisite Information per USDOL-ETA TEGL # 12-01 (February 21, 2002)

1. What guidelines will be provided to the local areas on the use of ITAs?

As the Governor's designated administrator of Georgia's WIA activities, GDOL will issue authority for the twenty local Workforce Investment Boards to pursue the use of ITAs for older youth, utilizing the methodology outlined in sections 683.400-440 and 683.500-595 of the WIA regulations and as currently required for adults and adult dislocated workers. Authority and ongoing guidance will be transmitted via Grantee correspondence. Administrative Contact memoranda, Q&A series, roundtable discussion and other interactive means. WIBs will be reminded that all ten required WIA youth program elements (specified at 20 CFR 664.410) must remain available within the local areas that serve out of school youth with ITA's.

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Attachment: Georgia Workforce Investment Act - Waiver Request

2. How will these guidelines be incorporated into local areas' service delivery plans for youth?

Each local WIB that chooses to make use of this ITA option for older youth will be required to amend their local area plan. The amendment will describe how the ITA will be utilized, local parameters related to maximum lengths of training and allowable funding, demand occupations, etc.

3. What criteria will be used for determining when the use of the ITAs is appropriate?

Each local WIB that chooses to make use of this ITA option for older youth will be required to establish operational guidelines, including the criteria to be used for determining when the use of ITAs is appropriate. As stated above, the use of this option will not supplant the availability and use of the ten required WIA youth program elements. WIBs will be encouraged to self-monitor this process, and the State will review the same during its annual on-site assessment.

4. What assistance will be provided to youth to assist them in choosing an appropriate service provider?

Each local WIB that chooses to make use of this ITA option for older youth will be required to describe, in their local area plan amendment, the assistance to be provided youth when assisting them in choosing an appropriate service provider/program. It will be the responsibility of those WIBs to provide training, technical assistance and oversight to respective career advisors of its comprehensive One-Stop Centers and youth contractors.